

Purpose

The Commonwealth of Virginia fixed asset policies requires that all state owned fixed assets be inventoried and entered into Virginia State University's Fixed Asset Accounting and Control System immediately upon receipt. This policy memorandum establishes specific procedures for the acquisition, control, transfer and disposal of:

- Land
- Buildings
- Improvements other than buildings (infrastructures)
- Equipment and equipment component parts
- Construction in progress

Authority, Responsibility, and Duties

The Fixed Asset Accounting Control System (FAACS) under the control of the Director of Administrative Services maintains the inventory and control of all assets owned or leased by VSU. Each asset acquired by the University is required to have a person responsible for the asset. The account manager assigned to receive financial budgets for the account charged when the asset was acquired and who is authorized to initiate the purchase requisition is the Responsible Person.

Definitions

The CAPPS manual defines equipment as Agency property of any kind, which meets the following criteria:

- Is complete in itself,
- Does not lose its identify or become a component of the building where it resides; and,
- Is of a durable nature with an expected service life of more than one year.

Items that are either built in or largely immobile, e.g., large machinery or laboratory benches, are equipment items since they are separately identifiable. Central air conditioning and heating systems for a building are building components and are not capitalizable as equipment items.

A statewide policy for the capitalization of assets by State Agencies has been established by the State Comptroller and is defined as an asset that meets the following criteria:

Separate – a fixed asset is tangible in nature and complete in itself.

Multi-Year Life - a fixed asset has an expected useful life of two or more years.

Significant Value – a fixed asset, which individually has a value or cost of \$5,000 or more at the date of acquisition.

Within the State system, two different categories of inventory have been designated:

Capitalized – all tangible property that meets the State's capitalization criteria described above. All capitalized fixed assets must be included in the fixed asset system and appropriately disclosed within the agency's financial statements.

Virginia State University
Policies Manual

Title: Equipment Inventory Policy

Policy: 5800

Controllable –all tangible property with a value of \$2,000 to \$4,999 and/or with an expected life of less than two years and is required to be controlled. Virginia State University has elected to control computers, printers and other electronic assets with a value less than \$2,000. For property management purposes, controllable assets may be entered into the system, but will be excluded from certain financial reports generated since these items are not disclosed in the financial statements.

Policy Statements

Virginia State University (VSU) shall adhere to all Federal and State Government requirements for fixed asset accounting regarding the acquisition, control, transfer and disposal of land, buildings, infrastructures, equipment and construction in progress.

Acquisition by Purchase

1. All equipment purchases by VSU employees shall be consistent with procurement policies.
2. The Central Receiving staff shall immediately notify the FAACS staff of all new equipment received in Central Receiving.
3. The ordering department shall immediately notify the FAACS staff of all new equipment received directly to a department.
4. The FAACS staff shall tag all new equipment purchased by the University immediately upon receipt in Central Receiving or notification of direct receipt by departments. The identification tag will read:
“Property of Virginia State University” color black and silver or “Property of U.S. Govt. Virginia State University” color blue and silver. Each tag will have a unique identification number.

Acquisition by Donation

5. Persons donating equipment to the University must contact the Vice President for Development. The Vice President for Development will meet with the Director of Administrative Services for a recommendation as to whether the University should accept the equipment.
6. The FAACS Property Gifts or Donation Form (See Exhibit I) will be sent to the appropriate department to verify that the equipment is compatible with plans approved to upgrade VSU equipment.
7. The Director of Administrative Services shall contact the appropriate Vice President with his/her decision on whether to accept the equipment.
8. If accepted, the Vice president shall sign the FAACS property Gifts or Donations form and send copies of the approved form to (1) the Purchasing Office, (2) the Vice President for Development and the Director of Administrative Services.
9. The Vice President for Development shall accept and acknowledge the donation.
10. The FAACS staff shall tag all equipment donated to the University immediately upon receipt.
11. If the equipment is not accepted, the Vice President for Development shall decline the equipment but acknowledge the act of kindness.

Equipment Control

12. The FAACS staff shall record all equipment in FAACS identifying the Account manager as the responsible person. The Account Manager's position number and operating budget account number shall be included for each piece of equipment for which he is responsible.
13. The FAACS staff shall change the "responsible person" in FAACS upon receipt of a Change of Responsible Person Form. (See Exhibit II.)
14. Any departments that directly receive equipment from outside sources shall immediately notify the FAACS department.
15. The FAACS staff shall take the appropriate actions, as previously specified, to tag and record the equipment in FAACS.
16. The FAACS staff shall require each person leaving the University to sign an "Employee Clearance Affirmation Form" certifying "all equipment or property belonging to Virginia State University that was assigned to me during his/her employment at the University remains at the University."
17. The FAACS staff shall require the Responsible Person to sign an "Employee Clearance Affirmation form" certifying that the employee that left the University before clearing with the FAACS office has not removed any equipment from the University.
18. The FAACS staff and Internal Auditors shall periodically conduct informal, unannounced inventories on capitalized and selected controlled equipment. Annually the Responsible Person or his/her designated staff shall conduct inventories. Biannually, the Responsible Person and his/her designated staff and the FAACS staff shall conduct a complete inventory of capitalized equipment.

Off-Campus Use

19. The off-campus use of university-owned equipment is discouraged. However, when such events are unavoidable, all individuals using equipment must submit a FAACS Equipment Release Form to the appropriate Responsible Person. (See Exhibit III) The form must identify the person(s) taking the equipment off-campus, the equipment that is being taken off-campus, the destination or location of the equipment while off-campus, how long it will be off-campus, and the reason(s) it is being taken off campus.
20. The Responsible Person shall sign and date all FAACS Equipment Release forms to indicate his/her approval and send a copy of all approved forms to the FAACS office.
21. The FAACS office shall maintain a record of all equipment taken off campus.
22. The Responsible Person shall notify the FAACS Office in writing when equipment is returned to the campus and its condition. The FAACS office shall appropriately adjust the records.

Lost, Stolen or Damaged Equipment

23. The Responsible Person shall immediately report in writing all lost, stolen, or damaged equipment to the Police and Public Safety Department, the Internal Auditor, the Risk Management Office and the FAACS office.
24. The FAACS Office shall adjust University records as appropriate.

Transfer or Disposal of Equipment

25. Responsible Persons shall turn in all equipment for transfer or disposal to the FAACS Office using the FAACS Equipment Relocation Form or the FAACS Surplus Property Form, respectively. (See Exhibits IV and V.) The Responsible Person will no longer be held accountable for the equipment once the FAACS staff receives it.
26. If the equipment can be used by someone else on campus, the FAACS office shall reassign the equipment to that Department. If the equipment cannot be used by anyone else on campus, the FAACS office proceeds with proper surplus procedures.

Property used for trade-in on a new purchase must be listed on the purchase requisition. Lost, stolen or destroyed property must be reported to the Campus Police and the Property Control Office.

References

Commonwealth Accounting Policies and Procedures (CAPP) Manual

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Approved by: Eddie N. Moore, Jr., President

Date: December 13, 2006

Virginia State University
Policies Manual

Title: Equipment Inventory Policy

Policy: 5800

Exhibit I – FAACS Property Gifts or Donation



VIRGINIA STATE UNIVERSITY (212)
FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)

PROPERTY GIFTS OR DONATION FORMS

RECEIVING DEPARTMENT

DONATED BY

RESPONSIBLE PERSON

PURPOSE

BUDGET CODE OR RECEIVING DEPARTMENT

PAGE _____ OF _____ PAGES

DATE ACQUIRED	DESCRIPTION	BUILDING NAME	SERIAL NUMBER & MODEL NUMBER	ACTUAL VALUE AT TIME OF DONATION	MISC INFORMATION

Exhibit II – FAACS Change of Responsible Person



VIRGINIA STATE UNIVERSITY (212)
FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)

CHANGE OF RESPONSIBLE PERSON

NOTIFICATION FORM

TO: FAACS OFFICE

FROM: _____
(VP, DEAN, DIRECTOR OR CHAIR)

THE RESPONSIBLE PERSON FOR ACCOUNT CODE _____ HAS

CHANGED FROM _____ TO _____

AS OF _____
DATE / YEAR

Virginia State University
Policies Manual

Title: Equipment Inventory Policy

Policy: 5800

Exhibit III – FAACS Use of University Equipment off Campus



VIRGINIA STATE UNIVERSITY (212)
FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)

EQUIPMENT RELEASE FORM

The attached form is to be used when an item of equipment is needed to accomplish university business off campus. Prior approval must be obtained, either through respective Vice President, Dean or Director. The form is then submitted to the FAACS Office with the signature of Vice President, Dean or Director. The Department Head will be responsible for all equipment used off site. The form is to be submitted to FAACS Department Room 45 Physical Plant Building by mail to Box 9208 or Fax to 5314.

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DEPARTMENT / ACTIVITY		RESPONSIBLE PERSON (VP, DEAN, DIRECTOR OR CHAIR)	
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BUDGET CODE	DATE ISSUE	RETURN DATE	
<hr/>		<hr/>	
SIGNATURE OF USER		(PLEASE PRINT NAME)	
<hr/>		<hr/>	
<u>VSU I.D NUMBER</u>	<u>ITEM DESCRIPTION</u>	<u>SERIAL / MODEL</u>	
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FROM <u>BUILDING / ROOM</u>		TO <u>ADDRESS</u>	
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Virginia State University
Policies Manual

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Exhibit IV – FAACS Equipment Relocation Form



VIRGINIA STATE UNIVERSITY (212)
FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)

EQUIPMENT RELOCATION FORM

This form is to be used to REPORT THE RELOCATION, REASSIGNMENT OR TRANSFER OF EQUIPMENT FROM ONE DEPARTMENT TO ANOTHER. The form is to be submitted to FAACS immediately upon transfer. If not submitted, the transferring department will be responsible for all equipment.

DEPARTMENT TRANSFERRING EQUIPMENT

_____ DEPARTMENT/ACTIVITY		_____ RESPONSIBLE PERSON (VP, DEAN, DIRECTOR, CHAIR)
_____ BUDGET CODE	_____ DATE	_____ SIGNATURE OF RESPONSIBLE PERSON

DEPARTMENT RECEIVING EQUIPMENT

_____ DEPARTMENT/ACTIVITY		_____ RESPONSIBLE PERSON (VP, DEAN, DIRECTOR, CHAIR)
_____ BUDGET CODE	_____ DATE	_____ SIGNATURE OF RESPONSIBLE PERSON

<u>I.D #</u>	<u>EQUIPMENT DESCRIPTION & SERIAL NUMBER</u>	<u>FROM BUILDING/ROOM #</u>	<u>TO BUILDING/ROOM</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Exhibit V – FAACS Surplus Property Form



VIRGINIA STATE UNIVERSITY (212)
FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)

SURPLUS PROPERTY FORM

This form is to be used to **REMOVE SURPLUS PROPERTY**. The form is to be submitted to FAACS Department, Box 9208.

DEPARTMENT NAME: _____

BUILDING NAME: _____

TELEPHONE NUMBER: _____

BUDGET CODE: _____ **DATE:** _____

SIGNATURE OF RESPONSIBLE PERSON: _____
V.P., DEANS, DIRECTORS, CHAIRPERSON

The equipment listed below is surplus to the above department. Request the equipment be removed from the FAACS Inventory for the above department. The following details are understood:

1. If another department can use the equipment, it will be transferred to that department and added to their inventory.
2. If space is available, the FAACS staff will remove the equipment to the FAACS Warehouse, however, if space is not available and another department can not use the equipment, the equipment will be put up for sale in its present location.

<u>ID #</u>	<u>EQUIPMENT DESCRIPTION</u>	<u>ROOM #</u>	<u>SERIAL #</u>	<u>CONDITION</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Exhibit V – FAACS Surplus Property Form



**FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)
SURPLUS PROPERTY CONTINUATION FORM**

<u>I.D #</u>	<u>EQUIPMENT DESCRIPTION</u>	<u>ROOM #</u>	<u>SERIAL #</u>	<u>CONDITION</u>
_____	_____	_____	_____	_____
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_____	_____	_____	_____	_____



VIRGINIA STATE UNIVERSITY
FIXED ASSET ACCOUNTING CONTROL SYSTEM
(FAACS)

EMPLOYEE CLEARANCE AFFIRMATION

This form is Certification that all equipment/property belonging to the University will remain property of the University. It certifies that the employee leaving the University has not and will not remove any equipment from the University

Employee Certification

My signature below certifies that all equipment or property belonging to Virginia State University that was assigned to me during my employment at the University remains at the University in the ascribed locations as inventoried in the FAACS records. **My signature also certifies** that I will not remove any University or Government owned equipment from the campus of Virginia State University.

Name (print): _____

Signature: _____

Date: _____

Signature Witness: _____

FAACS STAFF ONLY



VIRGINIA STATE UNIVERSITY

FIXED ASSET ACCOUNTING CONTROL SYSTEM (FAACS)

EMPLOYEE CLEARANCE AFFIRMATION

AS

CERTIFIED BY RESPONSIBLE PERSON

This form is Certification by the FAACS Responsible Person that all equipment/property belonging to the University has remained property of the University. It certifies that the employee that left the University before clearing with the Fixed Asset Accounting and Control System (FAACS) has not removed any equipment from the University.

My signature below certifies that former employee _____ is no longer employed by the University. To the best of my knowledge all equipment or property belonging to Virginia State University that was assigned to _____ during their employment at the University remains at the University in the ascribed locations as inventoried in the FAACS records.

Name (print): _____

Signature: _____

Date: _____

Signature Witness: _____

FAACS STAFF - ONLY

Date: _____